

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
2006 Quadrennial Regulatory Review –	)	MB Docket No. 06-121
Review of the Commission’s Broadcast	)	
Ownership Rules and Other Rules	)	
Adopted Pursuant to Section 202 of the	)	
Telecommunications Act of 1996	)	
	)	
2002 Biennial Regulatory Review –	)	MB Docket No. 02-277
Review of the Commission’s Broadcast	)	
Ownership Rules Adopted Pursuant to	)	
Section 202 of the Telecommunications Act	)	
of 1996	)	
	)	
Cross-Ownership of Broadcast Stations and	)	MM Docket No. 01-235
Newspapers	)	
	)	
Rules and Policies Concerning Multiple	)	MM Docket No. 01-317
Ownership of Radio Broadcast Stations in	)	
Local Markets	)	
	)	
Definition of Radio Markets	)	MM Docket No. 00-244
	)	
Way to Further Section 257 Mandate and	)	MB Docket No. 04-228
To Build On Earlier Studies	)	

**REPLY COMMENTS OF  
FIRST BROADCASTING INVESTMENT PARTNERS, LLC**

First Broadcasting Investment Partners, LLC (“First Broadcasting”) submits these reply comments in response to the Commission’s Second Further Notice of Proposed Rulemaking in the above-captioned proceeding.<sup>1</sup> In the Notice, the Commission seeks comment on a number of proposals offered by the Minority Media and Telecommunications Council (“MMTC”) which are designed to increase minority and female participation in the broadcast industry. Several

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<sup>1</sup> *Second Further Notice of Proposed Rulemaking*, MB Docket Nos. 06-121, 02-277 and 04-288, and MM Docket Nos. 01-235, 01-317 and 00-244, FCC 07-136, rel. August 1, 2007 (“Notice”).

parties submitted comments in response to this Notice expressing general support for policies that create industry incentives to increase minority and female ownership in the broadcast industry.<sup>2</sup> First Broadcasting hereby submits these reply comments in further support of the Commission adopting policies to increase minority and female ownership in the broadcast industry.

First Broadcasting is a technically innovative broadcast investor that promotes the public interest and serves station owners, radio listeners and their communities by investing in projects to expand station coverage and improve signal quality. As such, First Broadcasting has regularly supported programs that promote minority and female participation in the broadcast industry. For example, First Broadcasting recently joined other broadcasters in supporting MMTC's efforts to facilitate the entry of small businesses into local radio markets.<sup>3</sup> First Broadcasting's other efforts have included its submission of a Petition for Rulemaking to revise the procedures governing changes to the FM Table of Allotments and changes of Community of License,<sup>4</sup> as well as making First Broadcasting's expertise available the Commission's Advisory Committee on Diversity Emerging Technologies Subcommittee .

As a spectrum innovator, First Broadcasting believes that certain of MMTC's proposals could increase minority and female ownership in the broadcast industry, and should be carefully considered by the Commission. Based on its experience in maximizing broadcasters use of the

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<sup>2</sup> See *Comments of the National Association of Broadcasters, Comments of Consumers Union, Consumer Federation of America and Free Press, Comments of Diversity and Competition Supporters, Comments of Entravision Holdings, LLC, Comments of National Association of Black Owned Broadcasters, Inc., Comments of Office of Communication of the United Church of Christ, Inc., National Organization for Women Foundation, Media Alliance, Common Cause and Benton Foundation and Comments of Clear Channel Communications, Inc.*, all as submitted on October 1, 2007 in this proceeding.

<sup>3</sup> See *Reply to Comments of 48 Parties, Petition for Rulemaking of the MMTC To Facilitate the Entry of Small Businesses Into Local Radio Markets*, submitted Oct. 5, 2007, RM-11388.

<sup>4</sup> See *Amendment of the Commission's Rules Governing Modification of FM and AM Authorizations, Petition For Rulemaking of First Broadcasting Investment Partners, LLC*, submitted Mar. 4, 2004, RM-10960.

FM spectrum, First Broadcasting believes that the Commission should seriously consider MMTC's proposal to replace the current FM station classes with FM stations allocated on pure interference-based criteria. If the Commission adopts such an interference-based allocation policy for FM stations, this will open the FM spectrum for new opportunities for the ownership of FM stations. First Broadcasting also supports MMTC's recommendation to create new classes of FM stations for providing service to smaller communities as this too will provide additional (and more affordable) opportunities for new entrants into the FM spectrum. First Broadcasting believes that if the Commission adopts these MMTC recommendations there will be an opportunity for the creation of a significant number of new FM stations which can be made available to minority and female broadcasters.<sup>5</sup>

First Broadcasting also urges the Commission to carefully consider implementing several other recommendations set forth by MMTC for increasing diversity of station ownership, particularly those recommendations that are solely within the Commission's purview. For example, the Commission should consider tolling construction permit build-out deadlines when the holder of the construction permit agrees to sell the permit to a Socially and Economically Disadvantaged Business ("SDB"),<sup>6</sup> provided that the Commission provides the SDB with ample additional time to construct the station. Expiring construction permits are more likely be priced at affordable levels making it easier for SDB's to acquire the permit and construct the station. First Broadcasting also urges the Commission to consider permitting bifurcation of channels or spectrum leasing to SDBs. The Commission can encourage existing owners to participate in

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<sup>5</sup> First Broadcasting notes that the Commission's own Advisory Committee on Diversity has recommended similar policy changes to the Commission in order to advance and improve minority and female ownership in the broadcast industry.

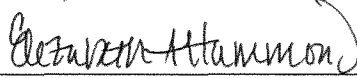
<sup>6</sup> First Broadcasting will leave it to the Commission's expertise to develop an appropriate definition of what type of entity would constitute a "Socially and Economically Disadvantaged Business."

such leasing arrangements with an SBD by permitting the existing owner to own another full-power station in the market due to the dilution of its current ownership interests through the spectrum leasing arrangement with the SBD.

There is ample evidence in support of the dearth of minority and female ownership opportunities in the broadcast industry. Accordingly, First Broadcasting urges the Commission to take this opportunity to seriously consider and implement regulatory policies to further the important policy of promoting ownership by women, minorities and other socially disadvantaged businesses.

**Respectfully submitted,**

**First Broadcasting Investment  
Partners, LLC**

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